

## Akbank Turkish SICAV - Fixed Income

The Sub-Fund's investment objective is to provide long term capital appreciation by investing in bonds and t-bills issued by the Turkish government or a regional or local authority or a private sector company in Turkey denominated in any currency. The Sub-Fund will invest at least 51% of its total assets in straight bonds, and a maximum of 49% of its total assets in money market instruments and liquid assets.

## Fund Information

NAV (Class I - Class A)	:	EUR 121.05	EUR 132.06
Fund Size	:	EUR 12,104,639	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	100% KYDABI <sup>1</sup>	

<sup>1</sup> KYD All Bond Index, www.kyd.org.tr

Performance Figures*		SICAV Fund (Net)	Benchmark (Gross)
Since Inception	07.08.08 - 30.04.10	16.00%	19.82%
2009	31.12.08 - 31.12.09	15.90%	17.55%
YTD	31.12.09 - 30.04.10	11.17%	11.99%
MTD	31.03.10 - 30.04.10	4.62%	4.78%

## Investment Allocation (%)

Bonds	82.20%
Money Market	17.80%

\* 07.08.2008 is the start date of active portfolio management for Institutional class share.

## Top holdings (%)

TRT161111T14	29.19%
TRT031110T10	20.92%
TRT030811T14	15.02%
TRT190111T13	7.83%
TRT260912T15	4.62%

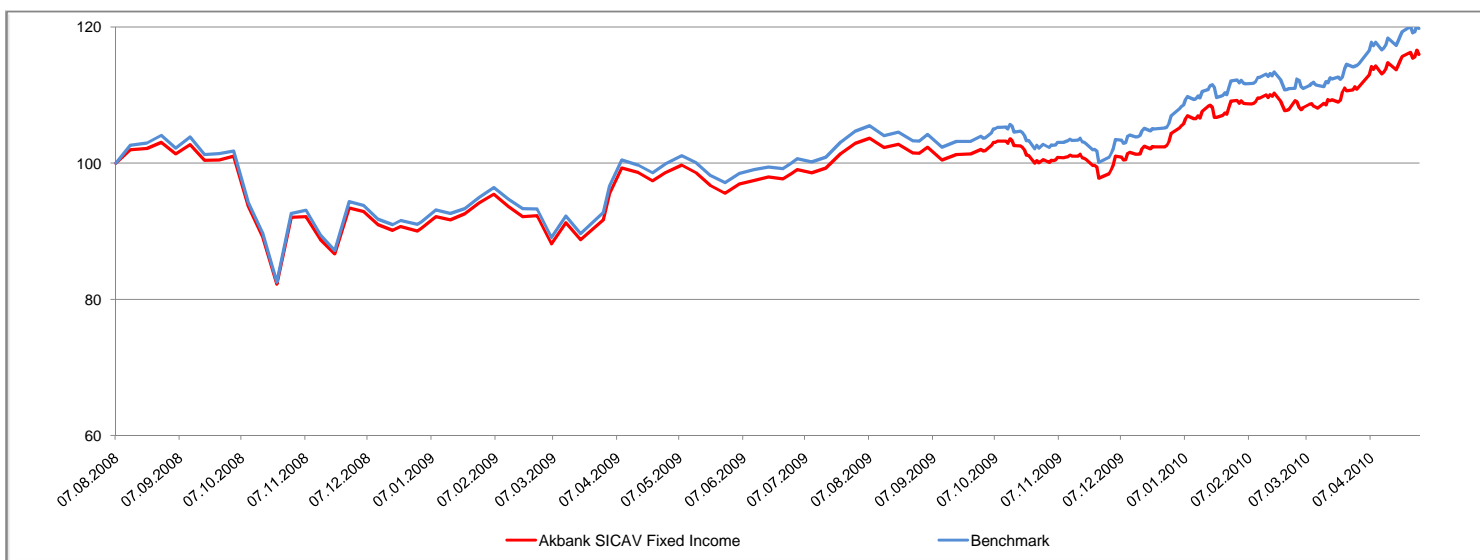
## Market Overview

The ISE-100 closed April at 58.959 gaining %4.28. Increase was mainly driven by banking stocks which constitute about %60 of ISE-100 pushed the main index to all time high, 2007 October peak levels of 59.500. The USD/TRY hovered within a 1.48 – 1.53 band. EURO/USD decreased from 1.35 to 1.32 levels triggered by government deficits, sovereign debt crisis especially in Greece and then rating cut of Portugal. Benchmark bond yield slid down %9 compounded in a range between %9.2 - %8.7 compounded during April.

The ISE beat the MSCI EMEA and became one of the best performing markets in the EMEA in April. Industrials' strong beginning to 2010 in first 2 months was matched by banks in March as expectations for a strong first quarter strengthened. Better than expected 4Q09 GDP growth, along with strong indicators regarding 1Q10 GDP data, has also helped keep the sentiment positive in April whose strong performance carried estimated P/E above 10x historical average despite significant upward revisions to earnings estimates. Although it is still low compared to the highest level seen in 2008. The economy is improving as growth forecasts for 2010 are revised upward, we think short-to-mid term fundamentals for an extended rally do not seem to justify. Earning upgrades are likely, yet the market has largely priced that in. GDP growth with high correlation to IP which shows sustainable increase in the recent months is likely to record double digit growth in 1Q10. Start of the rate hike cycle is in the horizon. We now expect the Central Bank to start increasing the policy rate in the last quarter.

All in all, it is time to take profits in Turkey. Uptrend seems to continue in a slowing pace just in case of the continued overshooting in global markets and much stronger than expected global growth. Otherwise, ISE seems not to be cheap. Finally, after taking into consideration of the global and internal risks, Akbank Turkish Sicav Fixed Income Fund invested 82% of its assets in Turkish fixed income securities in April.

## Comparative Returns\* / 07.08.08 - 30.04.10



## Administrative Information

ISIN :	A Class : LU0366550621	Registered Countries :	Luxembourg
	I Class : LU0366550977		Germany
	TRY Class : LU0451096159		The Netherlands
WKN :	A Class : A0Q8MB	Registered Databases :	Bloomberg ( AKTKFII:LX; AKTKFIA:LX )
	I Class : A0Q8MD		Lipper
Minimum Subscription :	A Class : EUR 50		Morningstar (Germany, Netherlands)
	I Class : EUR 5.000		Software-systems
	TRY Class : TRY 100.000	Investment Manager :	Ak Asset Management Inc.
Subscription Frequency **	: Daily	Administrator / Custodian :	Citibank International plc (Luxembourg Branch)
Redemption Frequency **	: Daily	Independent Auditors :	Ernst & Young S.A.
Management Fee	: 1.25% yearly		

\*\* Redemption and subscription requests should be sent to the Registerer and the Transfer Agent no later than 1:00PM (Luxembourg time) on the valuation day.

This is neither an offer to sell or a solicitation to invest. This material is for your private information only and we are not soliciting any action based upon it.

Ak Asset Management - Sabancı Center Hazine Binası 4. Levent Istanbul / Turkey

Phone: +90 212 385 27 00 - Fax: +90 212 319 24 69 - investor@akportfoy.com.tr

Website : www.akportfoy.com.tr/en